[No. 243]

(HB 4587)

AN ACT to protect against interest, fines, penalties, and other fees and finance charges by political subdivisions for billing errors caused by computer date failures; and to repeal acts and parts of acts.

## The People of the State of Michigan enact:

## 123.1121 Definitions. [M.S.A. 5.3416(1)]

Sec. 1. As used in this act:

- (a) "Computer" means a high-speed data processing device that performs logical, arithmetic, or memory functions by the manipulations of electronic or magnetic impulses and includes all input, output, processing, storage, or communication facilities that are connected or related to the device.
- (b) "Computer date failure" means a malfunction, including, but not limited to, the malfunction of an electronic or mechanical device or the inability of a computer, a computer network, a computer program, computer software, an embedded chip, or a computer system to accurately store, process, receive, or transmit data, that is caused directly or indirectly by the failure of a computer, a computer network, a computer program, computer software, an embedded chip, or a computer system to accurately or properly recognize, calculate, display, sort, or otherwise process dates or times in the years 1999 and 2000 and beyond.
- (c) "Computer network" means an interconnection of 2 or more computers or computer systems by satellite, microwave, line, cable, wiring, or other communication medium with the capability to transmit information among the computers or computer systems.
- (d) "Computer program" means an ordered set of data-coded instructions or statements that when executed by a computer cause the computer system to process data or perform specific functions.
- (e) "Computer software" means a set of computer programs, procedures, and associated documentation related to the operation of a computer, computer system, or computer network.
- (f) "Computer system" means a combination of a computer or a computer network with the documentation, computer software, or physical facilities supporting the computer or computer network.
- (g) "Embedded chip" means a single or multiple microprocessor chip that operates in conjunction with software, including software on the chip itself, and that in some way controls a device or equipment, including, but not limited to, a computer or other electronic or mechanical device.
- (h) "Political subdivision" means a municipal corporation, county, county road commission, township, charter township, school district, community college district, port district, metropolitan district, or transportation authority, or a combination of these when acting jointly; a district or authority authorized by law or formed by 1 or more political subdivisions; or an agency, department, court, board, or council of a political subdivision.
- 123.1122 Billing error by political subdivision caused by computer date failure; interest, fines, penalties, and other fees and finance charges. [M.S.A. 5.3416(2)]
- Sec. 2. If a computer date failure, including, but not limited to, a failure to detect, disclose, prevent, report on, or remediate a computer date failure, directly or indirectly

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results in a billing error by a political subdivision for goods or services, including, but not limited to, utility service, provided to a person, or an error in the determination or assessment of a fee or tax payable by a person to a political subdivision, the political subdivision shall not assess, charge to, or collect from the person interest, penalties, fines, or other fees or finance charges on the amount of the error.

123.1123 Repeal of act. [M.S.A. 5.3416(3)]

Sec. 3. This act is repealed January 1, 2003.

123.1124 Conditional effective date. [M.S.A. 5.3416(4)]

Sec. 4. This act does not take effect unless House Bill No. 4469 and House Bill No. 4588 of the 90th Legislature are enacted into law.

This act is ordered to take immediate effect.

Approved December 28, 1999.

Filed with Secretary of State December 28, 1999.

Compiler's note: House Bill No. 4469, referred to in Sec. 4, being §123.1124, was filed with the Secretary of State December 28, 1999, and became P.A. 1999, No. 242, Imd. Eff. Dec. 28, 1999.

House Bill No. 4588, also referred to in Sec. 4, being §123.1124, was filed with the Secretary of State December 28, 1999, and became P.A. 1999, No. 241, Imd. Eff. Dec. 28, 1999.